CHAPTER NO. 838

HOUSE BILL NO. 2546

By Representatives Bowers, Ferguson, Baird, Goins, Caldwell

Substituted for: Senate Bill No. 2844

By Senator Dixon

AN ACT to amend Tennessee Code Annotated, Title 43, relative to the development of agricultural products and markets.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

- SECTION 1. Tennessee Code Annotated, Title 43, is amended by adding Sections 2 through 4 inclusive of this act as a new, appropriately designated chapter.
- SECTION 2. This act shall be known and may be cited as the "Biobased Products for Farmers and Rural Development Act of 2000".
- SECTION 3. Nothing in this act shall be construed to authorize the development of or research relative to any strain or variety of Cannabis sativa L. or any other plant or substance containing a measurable quantity of any form of tetrahydrocannabinol (THC).
- SECTION 4. (a) The General Assembly finds that the development of biobased products, agricultural biomass, bast fiber crops and industrial utilization is in the best interest of Tennessee's economy and agriculture. The General Assembly recognizes the importance of agricultural fibers as the basic building blocks for biobased products.
- (b) The General Assembly finds that the development of biobased products, agricultural biomass, bast fiber crops and industrial utilization would reduce dependence on foreign oil imports; enhance energy security; reduce environmental emissions of harmful pollutants; decrease greenhouse gas emissions; increase profitability for agricultural biomass commercial activities; revitalize rural areas with new markets and revenue streams; and would provide greater consumer choices for power, fuel and commercial products.
- (c) The General Assembly finds that cooperation with the U.S. Department of Energy and U.S. Department of Agriculture's Bioenergy Initiative, Oak Ridge National Laboratory, Tennessee State University, the University of Tennessee and other entities in Tennessee that are developing biobased products, agricultural biomass, bast fiber crops and industrial utilization is in the best interest of Tennessee's economy, environment and agriculture.
- (d) The General Assembly finds that the Ag Fiber Technology program at Agricenter International has a strategic role in the development of biobased products, agricultural biomass, bast fiber crops and industrial utilization through its focus on commercializing agricultural fibers as the basic building blocks for biobased products.
- (e) The purpose of this chapter is to promote the economy, agriculture, public safety, health and welfare of the citizens of Tennessee, while promoting new opportunities for farmers and rural economies.
- SECTION 5. As used in this chapter, unless the context clearly requires otherwise:

- (1) "Biobased product" means a commercial or industrial product (other than food or feed) that utilizes biological products or renewable domestic agricultural (plant, animal, and marine) or forestry materials. "Biobased products" include building products, chemicals, fuels, lubricants, plastics, and paper derived from agricultural materials;
- (2) "Agricultural biomass" means crop residues from commodity crops such as wheat, corn, cotton and new crops such as Switchgrass. "Agricultural biomass" has unique and strategic positioning in expanding markets for power, fuel and chemicals:
- (3) "Bast fiber crop" means crops such as kenaf that are comprised of an outer fiber "bast" and an inner fiber "core" or "hurd". Bast fiber crops are utilized in new markets including building materials, pulp and paper, and absorbency products;
- (4) "Agricultural fiber" means any fiber material derived from an agricultural crop including, but not limited to, corn stover, cotton, kenaf, rice straw, Switchgrass, and wheat straw. Agricultural fibers are the building blocks of biobased products and contain cellulose, lignocellulose and other properties desired by industry;
- (5) "Industrial utilization" means the products and processes that utilize agricultural materials in non-food, non-feed commercial products. Industrial utilization projects in the United States have included a thirty-five million dollar (\$35,000,000) kenaf auto component facility in Indiana; building materials from wheat straw in Idaho and North Dakota; and the expanded use of ethanol in the Mid-West:
- (6) "Bioenergy Initiative" means a national partnership coordinated by the U.S. Department of Energy to develop an integrated industry to produce power, fuel and chemicals from sources including agricultural biomass; and
- (7) "Ag Fiber Technology" means a unique public/private sector coalition organized by Agro-Tech Communications of Memphis, Tennessee and based at Agricenter International in Memphis, Tennessee. Ag Fiber Technology is comprised of environmental organizations, universities, research institutions, and private corporations that share the goal of advancing biobased products through the commercialization of agricultural fibers.
- SECTION 6. The Commissioner of Agriculture is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.
- SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 17, 2000

JIMMY NAIFEH, SPEAKER HOUSE OF REPRESENTATIVES

> JOHN S. WILDER SPEAKER OF THE SENATE

APPROVED this 24th day of May 2000